

U.S. Patent Application Ser. No. 10/001,237  
Attorney Docket No. 4672/363

### REMARKS

These amendments and remarks are in response to the Final Office Action dated October 7, 2005. Claims 21-60 are pending in the application.

In the Final Office Action, the Examiner rejected claims 21-60 under 35 U.S.C. § 112, second paragraph as being indefinite. Further, claims 21-60 were rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Pat. 6,236,972 ("Shkedy").

Each of the rejections from the Final Office Action of October 7, 2005 is discussed below in connection with the various claims. No new matter has been added. Reconsideration of the application is respectfully requested in light of the amended claims and the following remarks.

#### **I. REJECTIONS UNDER 35 U.S.C. § 112, second paragraph**

Claims 21-60 were rejected under 35 U.S.C. § 112, second paragraph as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as his invention.

The Examiner asserts that "[t]he claims recite a method or server or system for minimizing communication bandwidth[.]" but "...there are no actual functions of minimizing communication bandwidth ... being recited in the claims." See the Final Office Action of October 7, 2005, page 2.

Applicants respectfully disagree with the Examiner. For example, independent claim 1 recites "enabling communications between the requestor and the identified market maker station to allow the requestor to request an indicative quote *for only* the at least one product of the plurality of products from the identified market maker station" (emphasis added). By limiting the request for indicative quote to only the at least one product from the identified market maker station, communications regarding other products to other market maker stations is avoided. Claims 31 and 40 contain similar limitations which limit both the scope of the requests as well as the parties between which the requests are communicated, thereby reducing the communications bandwidth over the network.

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Accordingly, Applicants respectfully request that the Examiner withdraw this rejection of claims 21-60.

## **II. REJECTIONS UNDER 35 U.S.C. § 103(a)**

Claims 21-60 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Shkedy. With this response, claim 21 has been amended for clarity and not for reasons relating to patentability. No new matter has been added. Applicants submit that claims 21-60 are patentable over Shkedy as Shkedy fails to teach all of the limitations of these claims.

Shkedy relates to “[a] method and device for using a computer to facilitate a transaction of secondary market shares of an investment company such as a mutual fund between a buyer and a seller, having the steps of: a customer determining the mutual fund to be traded receiving a schedule of fees from the central controller, the customer selecting the class of shares and inputting the quantity to be traded, the customer selecting the order type and adding any special instructions. The customer then submits the order to the central controller. The central controller will match buyers and sellers and determine which orders were executed. For all executions, the central controller will provide the seller with payments and the buyer with shares in the selected mutual fund.” *See Shkedy, Abstract.*

Shkedy fails to disclose or suggest “receiving, via a network, data indicating an identity of a market maker station of a plurality of market maker stations;” “receiving from a requestor, via the network, a request for identification of at least one market maker station, of the plurality of market maker stations, associated with a market maker interested in quoting for at least one product of the plurality of products;” “determining, in response to the request, an identity of a market maker station associated with a market maker interested in quoting for the at least one product based on the data;” “enabling communications between the requestor and the identified market maker station to allow the requestor to request an indicative quote for only the at least one product of the plurality of products from the identified market maker station;” “enabling communications between the requestor and at least the identified market maker station of the plurality of market maker stations to allow the requestor to request a binding quote for only the at least one product of the plurality of products from the at least identified market maker station;” or “whereby the requestor may cause transmission of the

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request for an indicative quote for the at least one product via the network to the identified market maker station of the plurality of market maker stations, the remaining of the plurality of market maker stations not receiving the request for an indicative quote, and whereby the identified market maker station may respond to the request for indicative quote with an indicative quote for only the at least one product and the at least identified market maker station may respond to the request for a binding quote with a binding quote for only the at least one product" as claimed in claim 1.

Shkedy discloses instead a system and method for facilitating a secondary market for the trading of shares of an investment company. *See* Shkedy, Col. 5, lines 51-54. The system disclosed by Shkedy provides "a bilateral system for creating *binding contracts* by use of a central controller to field *binding orders* from buyers and from sellers, [and] match those trades..." (emphasis added) *See* Shkedy, Col. 5, lines 59-53. "The present invention receives orders from buyers and sellers and then matches the trades. A buyer is able to communicate his commitment to the seller through the intermediary. The intermediary is able to communicate the buyer's ability to pay on an order to a seller, giving the seller confidence that if he trades his shares, he will receive payment." *See* Shkedy, Col. 8, lines 41-47.

Shkedy fails to disclose that the system receives request for the identity of a market maker that is interested in quoting for a product as claimed or the claimed enabling of communications between a requestor and an identified market maker. Instead, Shkedy discloses that "[t]he network facilitates communications between a plurality of buyers and a plurality of sellers through an intermediary (i.e. central controller 200)." *See* Shkedy, Col. 6, lines 4-7. As disclosed in Shkedy, "... a buyer 16 (or seller 20) selects the family of mutual fund he wishes to trade. ... the buyer 16 (or seller 20) then selects the particular mutual fund in the family. .... [The] central controller 200 determines the fee structure for the particular mutual fund and transmits it to the buyer (or seller). Along with this information, the central controller 200 may add legal language to the order 100 to make it explicit to the buyer 16 (or seller 20) that should the buyer 16 (or seller 20) submit an order he will be entering into a *binding agreement*. ... the buyer 16 (or seller 20) then adds a quantity specifier along with any other required buyer 16 (or seller 20) specified conditions. ... a buyer 16 (or seller 20) will specify along with the fund and quantity, the buyer 16 (or seller 20) identification data."

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(emphasis added) *See* Shkedy, Col. 6, lines 18-32. If the customer (buyer or seller) wishes to do the trade, "... the process continues, where prior to submitting the order 100 to the central controller 200, the buyer 16 (or seller 20) attaches his user identification to the order 100 and transmits the order 100 to the central controller 200. The buyer (seller) has now entered into a *legally binding agreement* to trade the selected mutual fund." (emphasis added) *See* Shkedy, Col. 6, lines 35-42.

As can be seen from the above excerpts, in the system of Shkedy, buyers or sellers merely submit binding offers to buy or sell as is well known, rather than request identification of a market maker as claimed. Shkedy essentially discloses a traditional market approach for trading shares in mutual funds, a type of product apparently not offered before, where buyers and sellers make binding offers to buy or sell. Accordingly, there is no need to identify the market maker who will fulfill the order or request indicative quotes, as long as the order is fulfilled.

Further, Shkedy fails to disclose real time indicative quotes. As shown above, buyers or sellers submit orders to buy or sell which are binding. The system of Shkedy, upon receipt of a selection of a mutual fund family and particular mutual fund to buy or sell, provides a "fee structure for the particular mutual fund" but one of ordinary skill in the art would understand that this fee structure is not an indicative quote by a particular market maker or even a share price for that matter, but rather is the schedule of incidental fees/commissions that the mutual fund company charges for transacting in the shares, sometimes referred to as loads. *See* for example, Shkedy, Col. 2, lines 1-42; and Col. 22, lines 61-65. Shkedy does not disclose a mechanism by which a buyer or seller can obtain a non-binding indicative quote from a particular market maker. Shkedy does disclose that "[i]n one embodiment of the present invention buyers could indicate a minimum discount off the fee schedule provided by the central controller 200, that a buyer 16 would be willing to accept in order to execute his trade. In this embodiment the seller 20 would also be able to indicate a maximum discount off the fee schedule he was willing to accept in order to have his trade executed." *See* Shkedy, Col. 7, lines 39-46. However, this refers to the fee schedule and not the actual share price and further, this discount is not specified by the market maker but by the end-customer submitting the order to buy or sell.

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Further, Shkedy discloses that "[i]n one embodiment of the present invention buyers and sellers could indicate a price at which they were willing to trade. This embodiment would correspond to an electronic exchange similar to the NASDAQ" *See* Shkedy, Col. 7, lines 63-66. However, this fails to disclose the claimed request for a market maker identity, the claimed exclusive communication between the requestor and the identified market maker of the indicative quote and the non-exclusive communication of the binding quote. Shkedy merely discloses that known electronic trading systems can be used to trade shares in mutual funds by allowing traders to place binding buy or sell offers on the exchange at a chosen price to be accepted or not by other market participants, which is what known markets/exchanges offer.

The examiner generically points to col. 5, line 50 – col. 8, line 47 of Shkedy as support for the disclosure of Applicants' claims. However, as pointed out above, the Shkedy reference, including the portion cited by the Examiner, fails to disclose the claimed limitations. It is respectfully requested that future rejections provide specific citations to the cited references for each element of Applicants' claims to support the Examiner's rejection(s).

Regarding claims 31 and 40, Shkedy similarly fails to disclose the limitations of these claims. Accordingly, claims 21, 31 and 40 are patentable over Shkedy.

Applicants respectfully submit that dependent claims 22-30, 32-39 and 41-60 are also patentable over Shkedy for the same reasons as set forth above with respect to the independent claims.

Accordingly, Applicants respectfully request that the Examiner withdraw this rejection of claims 21-60.

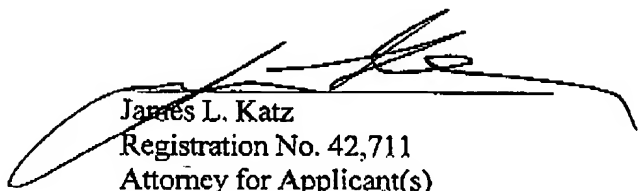
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### CONCLUSION

Each of the rejections in the Final Office Action dated October 7, 2005 have been addressed, and no new matter has been added. Applicants submit that all of the pending claims are in condition for allowance and notice to this effect is respectfully requested. The Examiner is invited to call the undersigned if it would expedite the prosecution of this application.

Respectfully submitted,

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